

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION -- DIVISION OF FINANCIAL ASSISTANCE
DECEMBER 4, 2007**

ITEM 8

SUBJECT

CONSIDERATION OF A RESOLUTION APPROVING PROPOSITION 50 CALFED WATERSHED PROGRAM FUNDING FOR THE CALFED INTERAGENCY WATERSHED ADVISORY TEAM SUBGROUP RECOMMENDED PROJECTS

DISCUSSION

I. The CALFED Watershed Program

The Watershed Program was established to help achieve the overarching goals of the CALFED Bay-Delta Program to restore ecological health and improve water management. One goal of the Watershed Program is to provide assistance, both technical and financial, for local watershed stewardship that helps meet the objectives of CALFED. Another is to promote collaboration and integration among watershed efforts. The programmatic blueprint for implementing the CALFED Watershed Program is the *July 2000 Watershed Program Plan* (Program Plan).

Although not specifically included in Proposition 13, the 2003 Budget Act appropriated \$20 million in funding for the CALFED Watershed Program from the State Water Resources Control Board's (State Water Board's) Watershed Protection Program. Proposition 50 included \$90 million in funding specifically to implement the CALFED Watershed Program. The State Water Board, Department of Water Resources (DWR), and the Department of Conservation have administered grant programs using those funds.

Ten CALFED lead and cooperating agencies are represented on the CALFED Interagency Watershed Advisory Team (IWAT). The IWAT helps direct the implementation of the Watershed Program, and is instrumental in implementing the grant programs. The Program Plan, along with any project solicitation documents, has served as Guidelines for implementing the State Water Board's grant program for CALFED.

II. State Water Board Funding

The State Water Board was appropriated \$20 million in Fiscal Year (FY) 03-04 for the CALFED Watershed Program. The State and Regional Water Boards solicited projects as part of the 2003 Consolidated Grants and awarded approximately \$14 million of the funds. The remaining \$6 million that have not been awarded are available for encumbrance until June 30, 2009. The associated resources to manage the solicitation, selection, and implementation of the projects were expended leaving inadequate resources to conduct another grant solicitation. Options for awarding the remaining funds must take into consideration the current lack of staff resources to implement the program. The water boards must, therefore, leverage other grant processes for staff resources, or re-direct resources from another program to manage and administer the remaining funds. The CALFED Watershed Program staff may provide assistance with overseeing the funds.

A subgroup of the IWAT convened to discuss options and develop a recommendation for the State Water Board's remaining funding. The consensus of the subgroup was to recommend the water boards administer the funds through directed actions to priority projects. The subgroup did not achieve

consensus on specific priority projects, but developed a recommended suite of projects for State Water Board consideration. The suite of projects is described below.

III. Recommended Directed Actions

1. Technical assistance to support community-based watershed management. Recommended amount: up to \$1 million.

There is a great need among the watershed community for technical assistance in a variety of topics. The topics range from specific components of assessments, restoration activities, modeling, and monitoring; to communication, collaboration and negotiation skills; to watershed management. Providing technical assistance is identified in the Program Plan as a component of Watershed Stewardship activities that the Watershed Program will support. It is a specific Program Plan objective.

To implement this action, the IWAT subgroup would seek input on the specific technical needs of the watershed community and develop a narrowly focused request for proposals to provide the specific assistance identified. Staff anticipate that one agreement would be developed, possibly through a California Multiple Award Schedules vendor, to minimize on-going project management. An advisory group could be formed to determine the details of the type of assistance to offer.

2. Develop and implement a decision support tool for local land use planners to use in determining the size of riparian buffers. Recommended amount: \$500,000.

The project would: 1) test key methods for sizing riparian buffers for regions of the State experiencing the largest population growth, and 2) develop a decision support tool (DST) to facilitate calculation of buffer width using the most appropriate method for the region. In order to protect the key functions of riparian areas, this project would address both the scientific and educational needs at the local level. Scientifically-defensible methods for sizing buffers would be tested on a pilot scale. Regional hydraulic curves would be developed to support two of the proposed methods, the "streamway" approach and hydro-geomorphic method. Outreach to local government staff would be conducted on the important functions of riparian buffers and the various methods that could be used to determine setback widths, including the use of the DST. Feedback from planners and resource managers would be used to modify the design of the DST to facilitate ease of use. Improving ecological function is a primary objective of CALFED. Education and outreach to increase local involvement in watershed activities is a primary objective of the Watershed Program. This project would further these objectives by providing local land use decision makers with a practical tool.

At this time, the IWAT subgroup does not support the project or believe it to be a priority of the CALFED Watershed Program, but does recognize its importance to the Water Board and is willing to support it as a component of the suite of projects.

3. Develop a data transfer tool and upload CALFED Watershed Program project water quality data to CEDEN¹ and/or SWAMP². Recommended amount: up to \$500,000.

The project would develop a web-based tool for entities generating environmental data to easily upload the data to the State's CEDEN and/or the State Water Board's SWAMP database. The types of data that could be integrated include water quality, toxicity, bioaccumulation, bacteria, bioassessment, macro-invertebrate records and other data types collected throughout California. The project would include developing a web-based system designed to work with the data delivery system to check for errors in data deliveries. The project would simplify the process of submitting and sharing data and checking for errors. The project would include uploading data from the CALFED Watershed grant projects to CEDEN and/or SWAMP.

Integration of environmental data into the CEDEN and/or SWAMP infrastructure would:

- provide an efficient and economical means of integrating data within the Watershed Program;
- increase the efficiency of data exchange by reducing manual intervention for tasks such as standardizing and reformatting data from disparate sources and formats;
- ensure that quality assurance/quality control (QA/QC) protocols are properly implemented;
- harness economies of scale through common architecture and shared tools;
- provide a means of integrating data between grant projects and other programs;
- increase the amount of data shared among other state and federal data generators by encouraging more flows over the Network and among regional partners; and
- increase the speed and timeliness of data exchange between CEDEN and/or SWAMP partners via a symmetrical replication at the enterprise level.

The project would provide a convenient tool for enabling data sharing among numerous entities and checking data quality. A large amount of data is currently collected and stored in various locations and formats. Many of the efforts are uncoordinated and the information is not being effectively used because there is no mechanism for sharing the data. This project would allow the Watershed Program to capture and consolidate data generated by the grant projects and assist with assessing program effectiveness and reporting accomplishments. Implementing this project would support the Adaptive Management and Monitoring element of the Program Plan. It would also provide monitoring protocols and assistance, and provide ready access to information.

4. Implement watershed plans in selected watersheds. Recommended amount: remaining funds

The action would supply a substantial amount of funding to one or more local communities to implement high priority actions or projects identified in an established Watershed Plan. A solicitation with details identified prior to the solicitation would be required. The project is a natural evolution of the Program because funding has been provided for planning, assessment and building local capacity. Some local communities are ready to implement their plans. Implementing watershed restoration projects, coordination and communication, and adaptive management and monitoring are some of the primary elements of the Program Plan.

Learning and evaluation activities, such as examining the effectiveness of prior activities, would be included as criteria. Funds would be focused on projects that will have direct noticeable impacts on the Delta.

¹ CEDEN is the California Environmental Data Exchange Network.

² SWAMP is the Surface Water Ambient Monitoring Program.

This project would require close coordination and management. The Water Board would need assistance from the Watershed Program staff to monitor project implementation. Watershed Program staff are prepared to provide assistance. This option would evaluate whether such an investment will produce substantial results.

IV. Process to Implement the Recommended Directed Actions

Upon approval of the Directed Actions by the State Water Board, staff will develop detailed scopes and requirements for each action in consultation with the IWAT subgroup. A focused request for proposals to implement each action will be developed and circulated. The IWAT subgroup will evaluate the responses and select the most responsive submittal. The Deputy Director of the Division of Financial Assistance (Division) will be authorized to issue grants to implement the actions.

V. Other Options for Consideration

The State Water Board may want to consider other options. The State Water Board could modify the suggested funding amounts, delete certain projects from the proposal, or identify other projects for staff to propose to the IWAT subgroup. However, staff does not recommend modification or redevelopment of the proposal at this time. While \$6 million is available to implement projects, funds are no longer available to administer this program. Considerable staff resources have already been expended to negotiate this proposal with the IWAT Subgroup.

POLICY ISSUE

Should the State Water Board:

1. Adopt a resolution to approve funding of the CALFED Interagency Watershed Advisory Team subgroup recommended projects with Proposition 50 CALFED Watershed Funds?
2. Adopt a modification of the proposed resolution to revise the suggested funding amounts or eliminate specific tasks?
3. Give staff direction on alternate options; have staff develop different alternatives and submit them for discussion at a later Board meeting?

FISCAL IMPACT

The State Water Board was appropriated \$20 million in FY 03-04 for the CALFED Watershed Program. The State Water Board has approximately \$6 million in Proposition 50 CALFED Watershed funds that have not been awarded that were reappropriated in FY 06-07. The funds are available for encumbrance until June 30, 2009.

REGIONAL WATER BOARD IMPACT

The Central Valley and San Francisco Bay Regional Water Board staff participated on the IWAT subgroup that developed the recommendations and support the recommended suite of projects.

STAFF RECOMMENDATION

That the State Water Board should:

- 1) Approve the Interagency Watershed Advisory Team subgroup recommendation and Proposition 50 CALFED Watershed funding for the recommended projects, and
- 2) Authorize the Deputy Director to implement the recommendations through the directed actions.

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STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2007-

APPROVING PROPOSITION 50 CALFED WATERSHED PROGRAM FUNDING FOR THE CALFED INTERAGENCY WATERSHED ADVISORY TEAM SUBGROUP RECOMMENDED PROJECTS

WHEREAS:

1. The State Water Resources Control Board (State Water Board) was appropriated \$20 million from Proposition 50 in FY 03-04 for grants to implement the CALFED Watershed Program.
2. The State Water Board solicited projects as part of the 2003 Consolidated Grants and awarded approximately \$14 million of the funds.
3. The remaining \$6 million are available for encumbrance until June 30, 2009.
4. A subgroup of the CALFED Interagency Watershed Advisory Team (IWAT), representatives from ten CALFED lead and cooperating agencies who help direct the implementation of the CALFED Watershed Program and its associated grant programs, developed a recommendation for the expenditure of the State Water Board's remaining CALFED Watershed funds.
5. The State Water Board has inadequate resources to manage the selection and implementation of additional CALFED Watershed Program projects. The State Water Board will have to leverage staff resources from other grant programs or processes, or seek assistance from CALFED Watershed Program staff to manage the projects.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Approves the CALFED Interagency Watershed Advisory Team subgroup funding recommendation for the remaining \$6 Million in Proposition 50 CALFED Watershed funds.
2. Authorizes the Executive Director, Chief Deputy Director, the Deputy Director of the Division of Financial Assistance (Division), or designee to issue grants and other such financial agreements to implement the proposed projects;
3. Authorizes the Executive Director, Chief Deputy Director, Deputy Director of the Division, or designee to execute for and on behalf of the State Water Board, agreements and amendments and to perform all acts and to do all things necessary and convenient to implement such agreements;

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4. Except as otherwise specifically provided by the State Water Board, the Executive Director, or the Executive Director's designee shall be the duly authorized representative of the State Water Board for the purpose of making a final determination of any dispute arising under, or relating to, the performance of any agreements to which the State Water Board is a party;
5. The Deputy Director of the Division may delegate the responsibilities granted herein to an Assistant Division Deputy Director authorized to act as a designee in the Division Deputy Director's absence.

CERTIFICATION

The undersigned, Acting Clerk to the Board, does hereby certify that the forgoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Board held on December 4, 2007.

Jeanine Townsend
Acting Clerk to the Board